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October 19, 2005

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Marg Tex Zone, Reservoir A
South Thornwell Field
Jefferson Davis Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE, LLC** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the establishment of rules and regulations and the creation of drilling and production units for the Marg Tex Zone, Reservoir A, in the South Thornwell Field, Jefferson Davis Parish, Louisiana:

1. To establish rules and regulations and to create five (5) drilling and production units for the exploration for and production of gas and condensate from the Marg Tex Zone, Reservoir A, in the South Thornwell Field, Jefferson Davis Parish, Louisiana, said units to be designated MT RA SUA, MT RA SUB, MT RA SUC, MT RA SUD, and MT RA SUE.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Denbury Onshore, LLC as operator of the proposed MT RA SUA.
4. To designate the Denbury Onshore, LLC – Petitjean Trust et al 8 No. 1 Well as unit well for the proposed MT RA SUA.
5. To provide that any future wells drilled to the above mentioned zone and reservoir within or outside of each of the proposed units, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

6. To provide that the Commissioner of Conservation should be authorized to reclassify the zone and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
7. To consider such other matters as may be pertinent.

The Marginulina Texana Zone, Reservoir A, in the South Thornwell Field, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 14,572 feet and 15,281 feet (electrical log measurements) in the Denbury Onshore, LLC – Petitjean Trust et al 8 No. 1 Well, located in Section 8, Township 11 South, Range 4 West, Jefferson Davis Parish, Louisiana.

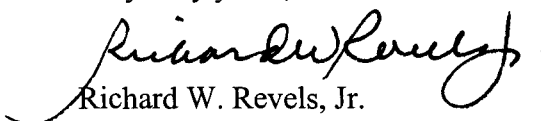
Pertinent data, including well logs, may be obtained AT THE COST OF THE REQUESTING PARTY from David Comeaux at Leon Comeaux & Associates, Post Office Box 53922, Lafayette, Louisiana 70505, Telephone Number (337) 233-9839.

Pursuant to the Rules of Procedure, a pre-application conference was held on October 19, 2005, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the units being requested. Questions were asked and answered. Mr. Travis Helms, representing the Fontenot Family, presented a counterplan which would somewhat enlarge the northern tier of proposed units so as to encompass more acreage to the east. Parties reserved their rights and the conference was adjourned without a resolution of differences. No opposition to the proposed Sand Units A and B was expressed. Opposition at the hearing is possible.

Attached hereto and made a part hereof are a plat outlining the applicant's proposal, the conference attendance list and the list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such plat (being the same plat attached to the pre-application notice dated September 28, 2005) and list of parties are being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$755.00 on behalf of the applicant representing the hearing application fee.

Very truly yours,


Richard W. Revels, Jr.

RWRjr/dbf

Attachments

18029.0033 150984 1.DOC

cc: Mr. Richard Hudson, Lafayette District Office of Conservation

cc: Interested Owners, Represented Parties and Interested Parties

